

**STATEMENT
OF
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U.S. DEPARTMENT OF LABOR
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES**

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INTRODUCTION

Good afternoon, Chairman Wenstrup, Ranking Member Takano, and distinguished Members of the Subcommittee. Thank you for the opportunity to participate in today's hearing. As Acting Assistant Secretary for Veterans' Employment and Training at the Department of Labor's (DOL or Department) Veterans' Employment and Training Service (VETS), I appreciate the opportunity to discuss the Department's efforts on licensing and credentialing for veterans and service members.

Thank you for the opportunity to participate in today's hearing. As Acting Assistant Secretary for Veterans' Employment and Training at the Department of Labor's (DOL or Department) Veterans' Employment and Training Service (VETS), I appreciate the opportunity to discuss the Department's efforts on licensing and credentialing for veterans and service members.

Facilitating veteran attainment of licensing and credentialing is one of the Department's most important and challenging objectives. Addressing this requires joint efforts between Federal agencies, state licensing boards and educational institutions, and the private sector to eliminate the barriers between military and civilian occupations. Ultimately, authority for regulating entry into most professions lies with state governments. Although federal agencies and national professional associations can propose standards and guidelines, state licensing boards make final decisions about whether alternative pathways, such as military training and experience, are adequate to uphold public safety standards, based on professional norms and state laws and regulations. Governors and states are addressing this through Executive Orders and legislation directing licensing boards to recognize and award credit for veterans' military training and experience. Since 2010, all 50 states and Puerto Rico have enacted some form of legislation assisting active duty service members and veterans in transferring and obtaining occupational licenses and certifications.

In April of this year, Secretary Perez attended the American Legion's National Credentialing Summit to address a crowd of credentialing experts and advocates for veterans and military spouses. The group had gathered to explore connections between military experience and civilian credentials. At this meeting, Secretary Perez said, "We owe it to our veterans to break

down the barriers to employment that they too often face as they reintegrate into civilian life.” The Department is following through on that commitment.

Service members are trained in hundreds of occupations with relevance to employment opportunities in the civilian workforce and veterans should easily be able to turn that training and work experience into civilian jobs. However, many civilian occupations have highly formalized pathways for entry, requiring licenses or certifications that present barriers to employment for those trained outside of those pathways. Despite the highly relevant skills and experience veterans possess, state- or locally-established requirements often require re-training outside of the military.

VETS, in close collaboration with our colleagues in the Department’s Employment and Training Administration has been, and will continue to be, actively working to eliminate these barriers and connect military training and experience with civilian credentials and licenses. The Department is currently engaged in a number of efforts and programs to address this important issue, including: initiatives conducted in partnership with other Federal agencies; activities authorized under the Workforce Innovation and Opportunity Act (WIOA); a Licensing and Credentialing Demonstration; and the President’s Fiscal Year (FY) 2016 Budget.

CROSS AGENCY FEDERAL INITIATIVES

Since 2011, the Department has been an active participant in a number of initiatives to enhance the civilian career prospects of service members and veterans. These include the First Lady’s Joining Forces Initiative, the Veterans’ Employment Initiative Task Force implemented by the Departments of Defense (DoD) and Veterans Affairs (VA), the DoD Credentialing and Licensing Task Force, a joint effort between the Department and VA to streamline access to GI Bill benefits for veteran registered apprenticeships, the Pilot Program on Civilian Credentialing for Military Occupational Specialties implemented by DoD and the military services, and the Military to Mariner Transition initiative of DOL with the Departments of Defense, Transportation, and Homeland Security. It is through federal partnerships such as these that we have been able to begin addressing gaps in licensing and credentialing for service members and veterans at the federal level. Additionally, the Military to Mariner Transition initiative seeks to identify and remove the barriers that prevent service members from attaining the U.S. Coast Guard (USCG) – National Maritime Center (NMC) credentials necessary to qualify for employment as merchant mariners.

Initiatives such as this show how, through inter-agency partnerships, we can identify needed licenses and credentials in the civilian sector, link them to related military occupations, and bridge the gaps in training and licensing requirements for transitioning service members and veterans.

WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)

The Department offers veterans, transitioning service members, and eligible military spouses the opportunity to receive a range of career and training services through the nationwide network of local American Job Centers that are part of the public workforce system authorized under

WIOA. WIOA emphasizes engaging employers across the public workforce system to align training with needed skills and match employers with qualified workers. The law also emphasizes training that leads to industry recognized post-secondary credentials and promotes the use of career pathways and sector partnerships to increase employment in in-demand industries and occupations. American Job Centers, also known as One-Stop Career Centers, bring together various Federal, state, and local programs to assist veterans in obtaining credentials and entering into or advancing within in-demand occupations. Veterans and eligible spouses receive priority of service. Available career services under WIOA include job-search and job-placement assistance, access to useful labor market information, career counseling, comprehensive assessment of an individual's employability, and the development of an individual employment plan. Veterans, transitioning service members, and eligible spouses may also be eligible for DOL-funded training services, which include occupational training, work-based training (including Registered Apprenticeship and on-the-job training), and supportive services including assistance with child care and transportation. Areas with a higher than average demand for employment and training activities for dislocated military service members and eligible spouses are eligible for National Dislocated Worker Grants.

Community colleges are a key partner of the public workforce system: they are eligible providers in Adult, Dislocated Worker and Youth program formula grants under WIOA and part of the partnerships eligible for grant under a number of strategic DOL investments because of their unique ability to address specific community workforce needs. The Trade Adjustment Assistance Community and Career Training (TAACCT) grants program, an Administration flagship investment of \$2 billion over four years, is one example of funds targeted to community colleges nationwide to help them enhance their capacity to develop skills training programs in in-demand occupations and industries that will result in industry-recognized credentials and employment. The TAACCT program has enrolled more than 11,500 veterans through September 30, 2014.

DOL LICENSING AND CREDENTIALING DEMO

Section 237 of the Veterans' Opportunity to Work to Hire Heroes Act of 2011 (VOW Act) required DOL to carry out a demonstration project on credentialing "for the purpose of facilitating the seamless transition of members of the Armed Forces from service on active duty to civilian employment." Recognizing that the authority to regulate entry into most professions lies with the states, DOL funded the demonstration project with the intent to both engage governors in an effort to accelerate credentialing and licensing pathways for veterans and to move veterans into civilian employment by reducing or eliminating barriers to credentials, certifications, or licenses requiring similar skills, training, or experience within a select number of military occupations. A cost study will also examine savings to federal programs, which may be achieved when a veteran completes an accelerated pathway towards licensure instead of a duplicative training under a full-length pathway.

Through a contract with the National Governors' Association (NGA), the Department explored accelerated career pathways for service members and veterans in selected high-demand civilian occupations, (i.e. truck driving, law enforcement, and healthcare support). Working with a panel

of experts, NGA designed and implemented a demonstration project in six participating states: Illinois, Iowa, Minnesota, Nevada, Virginia, and Wisconsin.

During this demonstration NGA identified the following challenges regarding state efforts to design, establish, and improve strategies for accelerated pathways:

- Veterans with equivalent training and experience as licensed civilians may have difficulty providing documentation recognized by civilian licensing boards.
- Veterans that experience gaps between their military training and experience and civilian requirements may have to participate in duplicative training to attain relevant civilian licensure and/or certification.
- Administrative rules and processes within civilian licensing and credentialing systems may create hurdles for veterans to obtain licensure and/or certification unrelated to their ability to competently provide professional services to the public.

In turn, the demonstration identified several strategies that states may utilize to streamline the licensing and certification of veterans, including:

- To address documentation challenges, states can license veterans by endorsement, or permit veterans with relevant training to sit for civilian licensure examinations.
- To address training gaps, states can work with educational institutions to set up new accelerated programs for veterans that bridge gaps, or provide veterans advanced standing in existing programs.
- To address administrative or procedural challenges, states can assess any non-skill related requirements that may disadvantage veterans such as fees or length of experience, or take steps to make civilian employment pathways friendlier to veterans through concerted outreach to both veterans and prospective employers.

DOL, with the support of NGA, will share the best practices identified through the demonstration project in a final report that includes a blueprint for other states to follow as well as the results of the cost study.

RAISING AWARENESS OF TRANSLATING MILITARY SKILLS TO CIVILIAN EMPLOYMENT

Under Section 222 of the VOW Act, the Department also entered into a contract for a study to identify equivalences between the skills developed by members of the Armed Forces through various military occupational specialties (MOS) and the qualifications required for related positions in the civilian workforce.

The project studied 68 military occupations that engage a significant portion of each service's overall population, and which represent the occupations of 57 percent of all enlisted service members. The study resulted in the creation of a more robust military to civilian crosswalk for those 68 MOSs, and identified additional information on the nature of the matches with regard to rank attained and length of military service. The enhanced crosswalk provides numerous additional career options for military service members and veterans to consider, is integrated in DOL and VA online job search tools for veterans, and is available to other web developers.

These tools also link to information on related civilian certification and licensing requirements. The study report was transmitted to Congress in September 2014.

In addition, the Department, together with the Department of the Treasury and the Council of Economic Advisers, recently released a report which highlights the growth in occupational licensing, its effects on the labor market and on service members, veterans, and military families in particular, and suggests several best practices to improve licensing policies.

FY 2016 PRESIDENT'S BUDGET

The President's FY2016 Budget proposes a number of investments that would help veterans overcome transition and employment challenges. Among those is a \$400 million increase to the Wagner-Peyser State Grants to expand the availability of intensive, staff-assisted counseling and other reemployment services to displaced workers, including veterans. These staff-assisted services will include the use of workforce and labor market information to guide participants in their job search and training decisions, as well as other assessment tools and resources to assist individuals identify occupations in in-demand industries.

The President's Budget also includes a \$100 million increase for Reemployment Services and Eligibility Assessments (RESEA) for Unemployment Insurance (UI) claimants. This \$181 million program would build on the successes of the evidence-based RESEA initiative. RESEA pairs UI eligibility assessments with reemployment services. Under the Budget proposal, RESEA would be made available to all transitioning veterans receiving Unemployment Compensation for ex-service members in addition to the top one-third of UI recipients profiled as most likely to exhaust their benefits.

Additionally, a number of states have taken action in recent years to identify and address unnecessary licensing barriers. Such steps are critical to ensuring economic opportunity and geographic mobility for service members, veterans and their families. To encourage even more states to follow suit, the President's Budget proposes \$15 million to support states in these efforts. This would serve to increase interstate portability of licenses, reduce or remove other unnecessary barriers to employment, and provide easier access to high-quality jobs.

CONCLUSION

The Department of Labor remains committed to our service members and veterans and looks forward to working with the Committee to ensure the continued success of our efforts to properly recognize the value of military training and experience. Thank you again for the opportunity to testify today, and I am happy to answer any questions you may have at this time.